

**From:** [Morning Consult](#)  
**To:** [Smith, Paula](#)  
**Subject:** Morning Consult Energy: Oil Train Derails & Explodes in Illinois; Oil Producers Running Out Of Room To Store Crude Amid Supply Glut  
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## Today's Washington Brief

An [analysis](#) of EPA's Clean Power Plan from the largest grid operator finds that regional compliance options would be less costly under a carbon pricing model than state-by-state compliance plans. [E&E](#) has the story.

After being scolded for what environmentalists saw as a raw deal for New Jersey, Gov. Chris Christie offered details for the first time on why he thinks the state's settlement with Exxon Mobil for environmental damages was a victory. The [New York Times](#) reports.

EPA's internal watchdog said the agency has not properly justified its decision to pay workers more than traditional salary limits. [The Hill](#) reports.

## Today's Business Brief

A BNSF train hauling crude oil derailed and exploded in rural Illinois Thursday. The accident is the third in three weeks involving crude by rail, underscoring the need for new safety regulations. [Reuters](#) has the story. (See Morning Consult: [Will New Regs Prevent Explosive Derailments?](#))

Meanwhile, oil companies are looking to build the largest oil-by-rail terminal in the country in southwestern Washington state. More from [NPR](#).

U.S. oil tank production hasn't kept pace with the supply glut, leaving oil producers stumped about where to put all the crude. The [Wall Street Journal](#) reports.

China, the world's biggest builder of nuclear reactors, is having a tough time selling the technology on the global market because buyers aren't convinced the reactors are safe or reliable. [Reuters](#) reports.

## Today's Chart Review

[Arctic sea ice could set an ominous new record this year](#)  
from the Washington Post by Chris Mooney



## Mark Your Calendar (All Times Eastern)

### **Friday**

No Events Scheduled

## General

**[Christie Administration Officials Praise Deal With Exxon](#)**  
**from the New York Times by Benjamin Weiser**

The administration of Gov. Chris Christie offered details for the first time on Thursday

about its settlement of a legal battle with Exxon Mobil Corporation over contamination in which the company agreed to pay a fraction of the damages that the State of New Jersey had sought.

**[BNSF oil train derails in rural Illinois; two cars aflame](#)**  
**from Reuters by Edward McAllister and Cather Ngal**

A BNSF Railway train loaded with [crude oil](#) derailed and caught fire on Thursday afternoon in a rural area south of Galena, Illinois, according to local officials and the company.

**[Northwest Oil Terminal Plan Would Mean Jobs — And More Oil Trains](#)**  
**from NPR by Conrad Wilson**

America's oil boom is going through some growing pains. But despite the recent dip in oil prices, some segments of the industry are focused on long-term growth. In southwestern Washington state, oil companies want to build the largest oil-by-rail terminal in the country at the Port of Vancouver, on the banks of the Columbia River.

**[Watchdog scrutinizes EPA on employee salaries](#)**  
**from The Hill by Timothy Cama**

The Environmental Protection Agency's internal watchdog said the agency has not properly justified its decisions to pay 23 employees more than traditional salary limits for federal workers.

## Oil & Natural Gas

**[Oil climbs to \\$61, supply concerns](#)**  
**from CNBC by Reuters**

Brent crude oil rose to around \$61 a barrel as fighting in Libya and Iraq stoked output worries, while traders kept a close eye on Iran.

**[Canadian Crude Exports by Rail Drop in Latest Quarter](#)**  
**from the Wall Street Journal by Chester Dawson**

Canada's national energy regulator said Thursday exports of crude oil by rail dropped in the latest quarter, a sign that lower oil prices have made shipments by rail less attractive to some Canadian crude producers.

**[Latest Oil Dilemma: Where to Put It](#)**  
**from the Wall Street Journal by Nicole Friedman**

In a world awash in crude, oil producers and traders are facing a billion-barrel conundrum: where to put it all.

**[Attacks Cripple 11 Oil Fields, Libya Says](#)**  
**from the New York Times by David Kirkpatrick**

The Libyan National Oil Company declared the oil fields nonoperational because of “theft, looting, sabotage and destruction” by “unidentified armed groups.”

## Utilities & Infrastructure

**[Power company, Md. attorney general battle over merger](#)**  
**from the Washington Examiner by Zack Colman**

Exelon and Maryland's attorney general are battling over whether a proposed merger of the Chicago-based utility and Pepco Holdings Inc. would benefit the state's ratepayers.

**[PJM analysis of EPA Clean Power Plan puts price on carbon](#)**  
**from E&E by Rod Kuckro**

A new analysis of the economic impacts of U.S. EPA's Clean Power Plan by the nation's largest grid operator places a price on carbon dioxide emissions and concludes that under nearly 40 compliance scenarios, a regional solution is less costly than a state-by-state approach.

## Coal

**[Carbon capture projects need more federal funding: former DOE official](#)**  
**from Platts by Jeffrey McDonald**

More equitable federal funding is needed to promote clean coal technologies that would allow new and existing coal-fired power plants to meet environmental regulations while also making them commercially viable, a former US Department of Energy official said Thursday.

## Nuclear

**["Made in China" nuclear reactors a tough sell in global market](#)**  
**from Reuters by Charlie Zhu and David Stanway**

As China signs global deals to export its nuclear power technology, it faces a huge obstacle: it still needs to show it can build and safely operate these reactors at home.

## Renewables

**[Solar closing in on cost of coal-fired power – Deutsche Bank](#)**  
**from Responding to Climate Change by Gerard Wynn**

The cost of roof-top solar power is nearing that of coal-fired power, heralding growing competition with conventional energy utilities and commodities, according to Deutsche

Bank analysts.

## Climate

### [Interview: How Climate Change Helped Lead to Conflict in Syria](#)

**from Yale's Environment 360 by Diane Toomey**

A new study draws links between a record drought in Syria and the uprising that erupted there in 2011. In a Yale Environment 360 interview, Colin Kelley, the study's lead author, discusses how the severity of that drought was connected to a long-term warming trend in the region.

### [Arctic sea ice could set an ominous new record this year](#)

**from the Washington Post by Chris Mooney**

As a writer focused on climate change, when I traveled to the Arctic last month to write about the threatened village of Kivalina I couldn't take my eyes off the sea ice.

### [The GOP's climate change skepticism, in one groan-worthy video](#)

**from the Washington Post by Puneet Kollipara**

What started as a hearing Wednesday on the Environmental Protection Agency's proposed budget for the 2016 fiscal year turned into a political forum on the agency's proposed climate change rules for power plants.

## Opinions, Editorials & Perspectives

### [Crude Exports: The Devil Is In The Details](#)

**from Morning Consult by Jay Hauck**

When Rep. Joe Barton (R-TX) introduced his bill to repeal restrictions on crude exports, it was designated H.R. 666, which produced some chortles. Although the bill was soon re-introduced with a different number, the numerology involved was a reminder that in the oil-export debate, the devil truly is in the details.

### [India coal output will gain, but not to heroic forecasts: Russell](#)

**from Reuters by Clyde Russell**

It's easy to dismiss the Indian government's assertion that the country will be able to more than double coal production in the next five years. But that doesn't answer the question of how close they will get.

### [If enough of us decide that climate change is a crisis worthy of Marshall Plan levels of response, then it will become one](#)

**from The Guardian by Naomi Klein**

A voice came over the intercom: would the passengers of Flight 3935, scheduled to depart

Washington DC, for Charleston, South Carolina, kindly collect their carry-on luggage and get off the plane. They went down the stairs and gathered on the hot tarmac. There they saw something unusual: the wheels of the US Airways jet had sunk into the black pavement as if it were wet cement. The wheels were lodged so deep, in fact, that the truck that came to tow the plane away couldn't pry it loose. The airline had hoped that without the added weight of the flight's 35 passengers, the aircraft would be light enough to pull. It wasn't. Someone posted a picture: "Why is my flight cancelled? Because DC is so damn hot that our plane sank four inches into the pavement."

**[Senate to call Reid's bluff on closing Yucca nuke dump](#)**  
**from the Washington Examiner by Paul Bedard**

Senate Minority Leader Harry Reid, who has kept Nevada's Yucca Mountain nuclear waste dump closed for business, is facing the first solid threat on his iron grip as the new GOP majority moves to finally open the facility.

## Research Reports, Issue Briefs & Case Studies

**[Iowa Clean Energy Supply Chain](#)**  
**from the Environmental Law and Policy Center**

This 2015 ELPC study identified 100 Iowa companies that are engaged in the solar and wind industry supply chains. The report includes company listings and profiles as well as information about state and federal policies that support the growth of renewable energy in the state.

**[Fit for \\$50 oil: Managing through the trough](#)**  
**from PwC**

In a market that rewards foresight and agility, successfully realigning the business model in the new oil price environment requires a multi-functional approach. A sustainable business model provides economic stability in low price environments and becomes a strong foundation for growth as the market rebounds. Our systematic Fit for \$50 process segments the business into value streams to create an objective and timely perspective, which enables us to define a path forward that fits the business and addresses the challenges it faces.



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